

PHILIP MORRIS MANAGEMENT CORP.

INTER-OFFICE CORRESPONDENCE

120 PARK AVENUE NEW YORK, NY 10017-5592

TO: William I. Campbell
FROM: Steven C. Parrish
RE: Weekly Highlights

DATE: August 9, 1993

CORPORATE AFFAIRS

Indications are that President Clinton may propose a federal excise tax increase of \$1.00 per pack to finance, in part, health care reform. At this time, it is unlikely that any increase would be effective until late 1994. Tobacco growers, workers and our customers have been contacted and urged to contact members of Congress and strongly urge there be no increase in the FET.

LEGAL

We have been sued, along with other members of the industry, in an environmental tobacco smoke case in Tyler, Texas. Plaintiffs allege that the decedent, Willie Ruth Bluitt, died as a result of injuries sustained from exposure to ETS. Mrs. Bluitt was allegedly a non-smoker. The case is pending in the Federal District Court before Judge Parker, who played a major role in the asbestos cases.

cc: V. Shavers

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